



Understanding and Using Change to Chart a Different Future for the Dan River Region

Written by Economic Leadership, LLC

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For the Danville Regional Foundation

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Executive Summary

In 2014 the Danville Regional Foundation (DRF) contracted with Economic Leadership LLC to develop a global trends analysis for the region. The project included a multifocal trends analysis, the review of existing plans, targeted leadership engagement, current economic research and recommendations for improvement.

No community's future is already written. There are examples of success, lessons to be learned and actions to emulate. **Doing what the Dan River Region used to do, and being what Danville used to be, only better, will not work.** The world is rapidly changing and some of the many trends impacting the economic future of the region include:

- Rapid sector transformation
- Bifurcating jobs, wages and wealth
- Accelerating urbanization
- Globalized competition
- A rising talent bar
- Continuous re-skilling demands
- Expanding corporate outsourcing of labor (not necessarily overseas)
- Technology and demographics

Some of these trends will create even greater headwinds for the region's recovery, but others could create opportunities. The Dan River Region's current economic reality shows many signs of weakness, even when compared to similar regions, including a stagnate population, loss of young adults, low educational attainment rates, and very slow wage growth.



A review of many recent studies and reports for the region revealed many common recommendations for action.

- The Dan River Region needs to shed its old manufacturing image, focus on a new future and intentionally create a new image internally and externally
- To attract the people and companies that are needed for a brighter future, investments in creating a better place to live and work are mandatory
- Downtown reinvention is necessary to attract and retain younger and more educated people
- For current regional citizens to prosper in the changing economy their skills and educational attainment must be improved
- Entrepreneurial attraction and development is a priority for future job growth
- A regional approach to economic development could yield better results
- A collaborative approach among public and private entities would yield better results
- Leadership diversification, support and engagement are imperative

In focus groups with some targeted current leaders common themes were:

Attitude & Vision - There was broad consensus among all three focus groups that there was a need to articulate an alternative vision for the future. Many felt that the lack of a specific vision and the general uncertainty about the Dan River Region's future are preventing the region from moving on from the past.

Leadership - A lack a leadership was cited as a barrier to improvement.

Race - The Dan River Region still suffers from a race divide that prevents the whole community from engaging in community discussions.

Communication - The lack of common, widely distributed information about what is happening in the community prevents collaboration.

The Economy - Some of the positive comments included the River District success, growth among entrepreneurs, a strong broadband infrastructure, the region's natural beauty and public art. Negatives included the lack of mid-skill "white-collar " jobs, the loss of educated young people, and the large supply of still vacant buildings.

Education and Training - There was wide agreement that no matter what else is done, everyone needed to focus on raising the skill level of young people and the workforce.

Recommendations

Change is inevitable and accelerating. Understanding what change is coming is important. Using that knowledge to position the region to be more competitive is smart. Over the past decade many reports have suggested a common group of actions to improve the region's economy. Converting those recommendations into actions is the top priority moving forward. Today, the region is doing many things right, redeveloping physical assets, investing in education, supporting entrepreneurs and nurturing new leadership.

Our recommendations include focusing resources to build implementation leadership and the capacity to take action. It is time to declare a new multi-jurisdictional and multi-organization regional vision and to align every asset toward making it a reality and begin to use change to the region's advantage.

1) Build the infrastructure to excite, inform, engage and diversify regional leadership

We believe that a more consistent and formal effort to understand, anticipate and react to the **future** is needed for local leaders. A focus on "what's next" can help mitigate a "looking back" negativity that hurts the community's pride and image. Joint learning can also build cohesion and trust among new leaders. We recommend that the Dan River Region begin a formalized multi-year effort to incorporate future thinking into leadership development. We believe that the region can position itself through an annual event as the **home of future thinking** for micropolitan regions that must reinvent themselves. "Future focus" is an organizing principle that will benefit leadership development and could also contribute to regional rebranding. Chattanooga's reinvention is a good example to draw inspiration from.

Increased efforts should be made to identify, educate, mentor, support and empower young leaders. DRF has been investing in projects that bring diverse people together. This is an area for increased emphasis and additional resources. A specific program to engage older and younger, white and minority, and urban and city leaders together to address community issues is needed. These efforts need to be highly visible to the community.

Information today is overwhelming and keeping elected and volunteer leaders informed is a daunting challenge. DRF should take the lead in identifying and presenting relevant information to a broad cohort of leaders. New vehicles such as social media, podcasting, webinars, and any and all means with a chance for information to permeate should be tested.

2) Define a new vision and declare intentional strategic actions for economic & workforce development

Some of the best new work on micropolitan communities, and what it takes for them to compete, comes from Gerald Gordon. In his 2013 book, *Economic Vitality of Micropolitan America*, Gordon studied over 100 areas and concluded the following critical lessons: "Some economic development does just happen, but I have yet to find an economy that grew to its fullest potential in the absence of serious, sustained and aggressive effort. In fact, most unplanned situations ultimately devolve into precipitous declines that might have been minimized."

We recommend that DRF take the lead to initiate and fund the development of a new 5-year comprehensive, multi-organization, regional, public-private economic and workforce development strategic action plan with delineated responsibilities and outcome expectations. Use the reports that have been developed over the past decade as a foundation and focus on the collective actions that can be implemented. No one group has the resources and control to act independently. There is too much work to do to not align the efforts.

3) Maximize the opportunities that change is creating

We believe that some of the ultimate strategic actions can take advantage of trends. An example of a trend that can have a positive effect on economic development in more rural communities is the drive to buy and produce locally, including local food sourcing. The move toward a more freelance economy may offer the greatest opportunity for a regional reinvention.

Building a live, work, play community of freelancers is a real possibility. Building on the research that has been done around retiree attraction and entrepreneurial attraction can create a value proposition around outdoor recreation, low cost of living, strong broadband, emerging downtown amenities and freelance support networks.

In the Dan River Region there is no path back and the path forward will be slow and difficult. Over the past two decades economic upheaval with deep cyclical changes and rapid structural changes has forced communities everywhere to reinvent themselves, work together and work smarter. Rebranded as a thought leader for micropolitan rebirth and a great place for entrepreneurial freelancers, working collaboratively and regionally on specific actions to rebuild the region's competitiveness, and stewarded by diverse, informed leaders, the Dan River Region can use the changing world to its advantage.